

109TH CONGRESS  
1ST SESSION

# H. R. 4086

To amend the Internal Revenue Code of 1986 to provide a tax credit for health insurance costs of eligible disaster relief recipients.

---

## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 19, 2005

Mr. JINDAL introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 to provide a tax credit for health insurance costs of eligible disaster relief recipients.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. CREDIT FOR HEALTH INSURANCE COSTS OF**  
4       **ELIGIBLE DISASTER RELIEF RECIPIENTS.**

5       (a) IN GENERAL.—Section 35 of the Internal Rev-  
6       enue Code of 1986 (relating to health insurance costs of  
7       eligible individuals) is amended by adding at the end the  
8       following new subsection:

9       “(h) APPLICATION TO DISASTER VICTIMS.—

1           “(1) IN GENERAL.—An eligible disaster relief  
2       recipient shall be treated as an eligible individual for  
3       purposes of this section and section 7527.

4           “(2) SPECIAL RULES.—In the case of an eligi-  
5       ble disaster relief recipient, for purposes of this sec-  
6       tion and section 7527—

7           “(A) 12 MONTH LIMITATION.—Only the  
8       first 12 months that an individual is an eligible  
9       disaster relief recipient shall be treated as eligi-  
10      ble coverage months.

11          “(B) QUALIFIED HEALTH INSURANCE.—  
12      Subject to subsection (e)(3), the term ‘qualified  
13      health insurance’ means—

14           “(i) any group or individual health in-  
15          surance plan or policy under which the in-  
16          dividual and any qualifying family mem-  
17          bers taken into account under this section  
18          were covered during the 7-day period de-  
19          scribed in paragraph (3) with respect to  
20          such eligible disaster relief recipient, and

21           “(ii) in the case of the subsequent  
22          non-renewal, cancellation, or termination  
23          (other than voluntarily by the individual),  
24          of any plan or policy described in clause  
25          (i), any successor or conversion plan or

1 policy offered by an insurer, a plan spon-  
2 sor, or a State program, to the individual  
3 in accordance with any applicable provision  
4 of Federal or State law.

5 “(C) QUALIFIED HEALTH INSURANCE  
6 COSTS CREDIT ELIGIBILITY CERTIFICATE.—The  
7 statement described in section 7527(d) shall be  
8 treated as a qualified health insurance costs  
9 credit eligibility certificate only if certified by  
10 the Director of the Federal Emergency Man-  
11 agement Agency (or by any other person or en-  
12 tity designated by the Secretary).

13 “(3) ELIGIBLE DISASTER RELIEF RECIPIENT.—  
14 For purposes of this subsection, the term ‘eligible  
15 disaster relief recipient’ means any individual—

16 “(A) whose primary residence, business, or  
17 primary worksite was located in a qualified dis-  
18 aster area, at any time during the 7-day period  
19 ending on the date that the President makes  
20 the determination described in paragraph (4)  
21 with respect to such area, or

22 “(B) whose employer conducted an active  
23 trade or business in a qualified disaster area  
24 during such period and, because of damage to

1 the employer caused by the disaster, subse-  
2 quently terminated the individual's employment.

3 “(4) QUALIFIED DISASTER AREA.—For pur-  
4 poses of this subsection, the term ‘qualified disaster  
5 area’ means any area—

6 “(A) with respect to which a major dis-  
7 aster has been declared by the President under  
8 section 401 of the Robert T. Stafford Disaster  
9 Relief and Emergency Assistance Act, and

10 “(B) which is determined by the President  
11 to warrant individual or individual and public  
12 assistance from the Federal Government under  
13 the such Act.”.

14 (b) EFFECTIVE DATE.—The amendment made by  
15 this section shall apply to taxable years ending on or after  
16 August 28, 2005.

○